

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

ZINO DAVIDOFF SA,

Plaintiff,

v.

CVS CORPORATION,

Defendant.

06 Civ. 15332 (KMK)

CORRECTED DECLARATION OF KEVIN PEVERILL

I, Kevin Peverill, hereby declare as follows:

1. I am a private investigator employed as the Managing Director of Grants International Information & Security Services Ltd, 1 Minton Place, Victoria Road, Bicester, Oxon OX26 6QB, The United Kingdom. My work as a private investigator includes purchasing products that are suspected of infringing legitimate manufacturers' trademarks, trade dress and copyrights.

2. I participated in the inspection of DAVIDOFF COOL WATER Products at the following CVS Corporation warehouse locations on the following dates:

- a. Indianapolis, Indiana, January 5, 2007;
- b. Knoxville/Loudon, Tennessee, January 8, 2007;
- c. Conroe, Texas, January 15, 2007;
- d. Ennis, Texas, January 16, 2007; and
- e. La Habra, California, January 17, 2007.

3. I have been trained to authenticate DAVIDOFF COOL WATER Products and am

familiar with the characteristics that differentiate genuine products authorized for sale in the United States from counterfeit products and decoded gray market products.

4. The Exhibit A, entitled SUMMARY OF INVENTORY REVIEW, attached to my original Declaration, dated February 2, 2007, contained two inadvertent mistakes. Specifically, the document stated that the decoded gray market DAVIDOFF COOL WATER Products I found during my investigation at the Indianapolis, Indiana and Knoxville/Loudon, Tennessee CVS Corporation warehouses had been physically segregated. In fact, these products had not at that time been physically segregated. I had, however, physically marked all the boxes that contained the decoded gray marked DAVIDOFF COOL WATER Products. I am attaching hereto a Corrected Exhibit A, entitled SUMMARY OF INVENTORY REVIEW, which corrects these mistakes and accurately summarizes the results of my inspection of products at the above locations.

5. As is set forth on the attached SUMMARY OF INVENTORY REVIEW, the boxes in which I found decoded gray market DAVIDOFF COOL WATER Products at the Indianapolis, Indiana warehouse are: IN 1 – IN 74, IN 86, IN 87, IN 89 – IN 95 – IN 100, IN 101 and IN 116 – IN 205.

6. As is set forth on the attached SUMMARY OF INVENTORY REVIEW, the boxes in which I found decoded gray market DAVIDOFF COOL WATER Products at the Knoxville/Loudon, Tennessee warehouse are: KN 28 – KN 60 and KN 61 – KN 120.

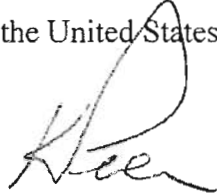
7. I am attaching hereto as Exhibit B true and correct copies of photographs I took of the packaging of decoded gray market products found at CVS Corporation's warehouses, which show examples of how the unique production codes were removed from the DAVIDOFF COOL

WATER Products and the damage to the packaging this causes.

8. I found a total of 16 counterfeit units and 10,254 decoded gray market units, as described more fully in the SUMMARY OF INVENTORY REVIEW.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Date: February 9, 2007



Kevin Peverill

CORRECTED EXHIBIT A

ZINO DAVIDOFF SA V. CVS CORPORATION

SUMMARY

**TOTAL NUMBER OF COUNTERFEIT UNITS AT ALL
LOCATIONS: 402**

**TOTAL NUMBER OF DECODED GRAY MARKET UNITS AT
ALL LOCATIONS: 14,325**

ZINO DAVIDOFF SA V. CVS CORPORATION
SUMMARY OF INVENTORY REVIEW

CVS Facility: Conroe
 Address: 100 South Tade Center Parkway
 Conroe, TX 77385

Name of Inspector: Kevin Peverill
 Date: 15th January 2007

TOTAL NUMBER OF UNITS INSPECTED: 1,536

| DESCRIPTION OF PRODUCT | TOTAL NO. OF COUNTERFEIT UNITS | BOX NOS. | TOTAL NO. OF DECODED GRAY MARKET UNITS | BOX NOS. | WAS PRODUCT SEGREGATED? |
|-------------------------|--------------------------------------|-------------|--|-----------|----------------------------|
| Cool Water Man EDT 40ml | | | 65 | CN3, CN52 | Yes |
| Cool Water Man EDT 75ml | | | 337 | CN6-CN13 | Yes |
| TOTAL: | | | <u>402</u> | | |

ZINO DAVIDOFF SA V. CVS CORPORATION
SUMMARY OF INVENTORY REVIEW

CVS Facility: La Habra
 Address: 777 South Harbor Boulevard
 La Habra, CA 90631

Name of Inspector: Kevin Peverill
 Date: 17th January 2006

TOTAL NUMBER OF UNITS INSPECTED: 2,711

| DESCRIPTION OF PRODUCT | TOTAL NO. OF COUNTERFEIT UNITS | BOX NOS. | TOTAL NO. OF DECODED GRAY MARKET UNITS | BOX NOS. | WAS PRODUCT SEGREGATED? |
|---------------------------|--------------------------------|----------|--|---|-------------------------|
| Cool Water Man EDT 40ml | | | 245 | LH7, LH8, LH10, LH11, LH16 | Yes |
| Cool Water Woman EDT 50ml | | | 162 | LH1-LH6, LH61 | Yes |
| Cool Water Man EDT 75ml | | | 847 | LH26-LH33, LH35-LH37, LH39-LH41, LH58-LH60 | Yes |
| TOTAL: | | | <u>1254</u> | | |

ZINO DAVIDOFF SA V. CVS CORPORATION
SUMMARY OF INVENTORY REVIEW

CVS Facility: Woonsocket, RI
 Address: 400 Founders Dr Woonsocket, RI 02895

Name of Inspector: Donald Andersen
 Date: January 17th, 2007

TOTAL NUMBER OF UNITS INSPECTED: **1,906**

| DESCRIPTION OF PRODUCT | TOTAL NO. OF COUNTERFEIT UNITS | BOX NOS. | TOTAL NO. OF DECODED GRAY MARKET UNITS | BOX NOS. | WAS PRODUCT SEGREGATED? |
|----------------------------|--------------------------------------|-------------|--|---|----------------------------|
| Cool Water Man EDT 1.35oz | | | 75 | 45,46 | Yes |
| Cool Water Woman EDT 1.7oz | | | 162 | 47-54 | Yes |
| Cool Water Man EDT 2.5oz | 364 | 26-36 | 187 | 2,3,4,7,9,10,1 2,13,14,15,17, 55,56 | Yes |
| TOTAL: | 364 | | 424 | | |

ZINO DAVIDOFF SA V. CVS CORPORATION
SUMMARY OF INVENTORY REVIEW

CVS Facility: Lumberton, NJ
 Address: 1 Berry Dr Lumberton, NJ 08048

Name of Inspector: Donald Andersen
 Date: January 18th, 2007

TOTAL NUMBER OF UNITS INSPECTED: 1332

| DESCRIPTION OF PRODUCT | TOTAL NO. OF COUNTERFEIT UNITS | BOX NOS. | TOTAL NO. OF DECODED GRAY MARKET UNITS | BOX NOS. | WAS PRODUCT SEGREGATED? |
|----------------------------|--------------------------------------|-------------|--|----------------------|----------------------------|
| Cool Water Woman EDT 1.7oz | | | 201 | 39-45 | Yes |
| Cool Water Man EDT 1.35oz | | | 48 | 23 | Yes |
| Cool Water Man EDT 2.5oz | 11 | 4 | 595 | 4,16,17,18,2 4-36 | Yes |
| TOTAL: | 11 | | 844 | | |

ZINO DAVIDOFF SA V. CVS CORPORATION
SUMMARY OF INVENTORY REVIEW

CVS Facility: Indianapolis
 Address: 7590 Empire Drive
 Indianapolis, IN 46219

Name of Inspector: Kevin Peverill
 Date: 5th January 2007

TOTAL NUMBER OF UNITS INSPECTED: 5,783

| DESCRIPTION OF PRODUCT | TOTAL NO. OF COUNTERFEIT UNITS | BOX NOS. | TOTAL NO. OF DECODED GRAY MARKET UNITS | BOX NOS. | WAS PRODUCT SEGREGATED? |
|---------------------------|--------------------------------|----------|--|------------------------|-------------------------|
| Cool Water Man EDT 40ml | | | 240 | IN86, IN87, IN95-IN100 | No |
| Cool Water Woman EDT 50ml | | | 1,752 | IN1-IN74, IN89-IN94 | No |
| Cool Water Man EDT 75ml | | | 3,008 | IN101, IN116-IN205 | No |
| TOTAL: | | | 5000 | | |

ZINO DAVIDOFF SA V. CVS CORPORATION
SUMMARY OF INVENTORY REVIEW

CVS Facility: Knoxville
 Address: 3400 Huntington Park
 Loudon, TN 37774

Name of Inspector: Kevin Peverill
 Date: 8th January 2007

TOTAL NUMBER OF UNITS INSPECTED: 3,799

| DESCRIPTION OF PRODUCT | TOTAL NO. OF COUNTERFEIT UNITS | BOX NOS. | TOTAL NO. OF DECODED GRAY MARKET UNITS | BOX NOS. | WAS PRODUCT SEGREGATED? |
|---------------------------|--------------------------------------|----------|--|------------|----------------------------|
| Cool Water Man EDT 40ml | | | 391 | KN53-KN60 | No |
| Cool Water Woman EDT 50ml | | | 614 | KN28-KN52 | No |
| Cool Water Man EDT 75ml | | | 1,723 | KN61-KN120 | No |
| TOTAL: | | | <u>2728</u> | | |

ZINO DAVIDOFF SA V. CVS CORPORATION
SUMMARY OF INVENTORY REVIEW

CVS Facility: Vero Beach
 CVS DC
 2572 98th Avenue
 Vero Beach,, FL 32966

Name of Inspector: Donald R. Andersen
 Date: 5th January 2007

TOTAL NUMBER OF UNITS INSPECTED: **1539**

| DESCRIPTION OF PRODUCT | TOTAL NO. OF COUNTERFEIT UNITS | BOX NOS. | TOTAL NO. OF DECODED GRAY MARKET UNITS | BOX NOS. | WAS PRODUCT SEGREGATED? |
|------------------------------|--------------------------------|----------|--|----------|-------------------------|
| Cool Water Man 1.35oz EDT | | | 147 | | Yes |
| Cool Water Woman 1.7oz EDT | | | 62 | | Yes |
| Cool Water Man EDT 2.5oz EDT | | | 711 | | Yes |
| TOTAL: | | | <u>920</u> | | |

ZINO DAVIDOFF SA V. CVS CORPORATION
SUMMARY OF INVENTORY REVIEW

CVS Facility: Orlando
 8201 Chancellor Drive
 Orlando, FL 02895

Name of Inspector: Donald R. Andersen
 Date: 5th January 2007

TOTAL NUMBER OF UNITS INSPECTED: **4,004**

| DESCRIPTION OF PRODUCT | TOTAL NO. OF COUNTERFEIT UNITS | BOX NOS. | TOTAL NO. OF DECODED GRAY MARKET UNITS | BOX NOS. | WAS PRODUCT SEGREGATED? |
|----------------------------|--------------------------------------|-------------|--|-------------|----------------------------|
| Cool Water Man 1.35oz EDT | | | 210 | | Yes |
| Cool Water Woman 1.7oz EDT | | | 284 | | Yes |
| Cool Water Man 2.5oz EDT | 11 | | 1,389 | | Yes |
| TOTAL: | <u>11</u> | | <u>1883</u> | | |

ZINO DAVIDOFF SA V. CVS CORPORATION
SUMMARY OF INVENTORY REVIEW

CVS Facility: Ennis
 Address: 700 CVS Drive
 Ennis, TX 75119

Name of Inspector: Kevin Peverill
 Date: 16th January 2007

TOTAL NUMBER OF UNITS INSPECTED: **1965**

| DESCRIPTION OF PRODUCT | TOTAL NO. OF COUNTERFEIT UNITS | BOX NOS. | TOTAL NO. OF DECODED GRAY MARKET UNITS | BOX NOS. | WAS PRODUCT SEGREGATED? |
|---------------------------|--------------------------------------|----------|--|---|----------------------------|
| Cool Water Man EDT 40ml | | | 259 | EN8-EN10, EN18-EN20 | Yes |
| Cool Water Woman EDT 50ml | | | 164 | EN11-EN14, EN15-EN17 | Yes |
| Cool Water Man EDT 75ml | 16 | EN42 | 447 | EN1, EN24, EN25, EN30, EN31, EN33, EN34, EN40, EN41 | Yes |
| TOTAL: | <u>16</u> | | <u>870</u> | | |